

**CENTRAL POINT DEVELOPMENT
COMMISSION**

**ADOPTED BUDGET
FISCAL YEAR 2018-19**

**BUDGET MEETING
JUNE 14, 2018**

CENTRAL POINT DEVELOPMENT COMMISSION

CENTRAL POINT DEVELOPMENT COMMISSION MEMBERS

*HANK WILLIAMS, CHAIR
BRUCE DINGLER, VICE CHAIR
KELLY GEIGER
TANEEA BROWNING
MIKE QUILTY
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BILL STULTS
BILL WALTON
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BUDGET OFFICER

CHRIS CLAYTON, CITY MANAGER

URBAN RENEWAL STAFF

*CHRIS CLAYTON, URBAN RENEWAL MANAGER/ CITY MANAGER
DON BURT, PLANNING MANAGER
STEVE WEBER, FINANCE DIRECTOR
TOM HUMPHREY, COMMUNITY DEVELOPMENT DIRECTOR
MATT SAMITORE, PARKS & PUBLIC WORKS DIRECTOR*

BUDGET MESSAGE

TO: CHAIR AND BOARD OF DIRECTORS CENTRAL POINT DEVELOPMENT COMMISSION;

BUDGET COMMITTEE MEMBERS;

AND CITIZENS OF CENTRAL POINT

INTRODUCTION

In 2013 the Development Commission prioritized projects listed in the Downtown & East Pine Street Corridor Revitalization Plan. The top priority project was the improvement of the East Pine Streetscape. After two years of design, engineering, and public meetings the Development Commission is now prepared to begin construction of the East Pine Street streetscape improvements. As a result of an Intergovernmental Agreement between the City and the Development Commission the funding necessary to complete the streetscape improvements has been obtained and included in this FY 2017-18 Budget.

There are three actions that necessitate the proposed budget:

1. **Downtown Corridor (\$100,000).** The Commission will be completing the Pine Street Plaza design and well as alley improvements between North 1st and 2nd Street.
2. **Economic Incentive Program (\$135,000).** The Commission will continue the façade improvement program while launching a housing program aimed to incentivize residential rehabilitation and/or affordable housing within the urban renewal district.
3. **Debt Service (\$248,000).** Including the debt service for the East Pine Streetscape borrowing at \$224,000; interest only payment on initial loan from City at \$5,000; and payoff of streetscape reimbursement for Walgreen's development at \$19,000.

MISSION

It is the primary mission of the Central Point Development Commission to eliminate blight and depreciating property values within the urban renewal district. This mission will be accomplished through the strategic implementation of projects and activities that consciously maximize both public and private investments within the Urban Renewal Area, investments that are designed to target, facilitate and strengthen the economic and aesthetic vitality of the urban renewal district as the City's traditional mixed-use urban core.

OVERALL GOAL

The basic goal of the Development Commission is to address, through the implementation of the Plan, existing blighted conditions within the urban renewal district so that unused and underused properties can be placed in productive condition and utilized at their highest and best use in accordance with the *City of Central Point Comprehensive Plan*.

KEY OBJECTIVES AND ACTIVITIES

Section 1.5.2 of the Plan identifies fourteen (14) goals and objectives to be accomplished by the Plan. Section 1.6 addresses the activities that the Commission may undertake. In July of 2013 the Development Commission prepared the *Central Point Urban Renewal Project Guide* identifying the Development Commission's top five activities to be undertaken. The activities budgeted for FY 2018-19 are consistent with the Plan's goals and objectives and the Development Commission's activities schedule.

KEY PERFORMANCE MEASURES

- Increased real property assessed value within the urban renewal district
- Track and manage Return-on-Investment (ROI) ratio between public and private investment dollars within the urban renewal district
- Completion of projects on schedule.

THE BUDGET

This budget is a financial plan listing all planned expenses and revenues for fiscal year 2018-19. The Development Commission's budget consists of a single fund; the General Fund. The Budget's primary source of income is tax increment revenue, including proceeds from tax increment financing.

GENERAL FUND EXPENSES

The Development Commission's expenses fall into one of four categories: Personal Services, Materials & Services, Capital Projects, and Debt Service. All expenditures are dedicated to implementation of the Plan.

PERSONAL SERVICES

Funding for Personal Services has been re-structured this budget year and is now within the Materials and Services category. In previous years Personnel Service costs have not been used, but instead were paid for through Administrative Services.

MATERIALS & SERVICES

The Materials & Services category (\$57,500) is comprised of six subcategories, most of which address basic administrative requirements of the Development Commission such as; the costs of legal services, annual audit, materials, contract services, etc.

CAPITAL PROJECTS

The Capital Projects Fund accounts for all expenditures (\$235,000) on projects related to implementation of the fifteen (15) projects listed in the Plan. This includes such activities as design, engineering, and construction costs. Over the course of the next 20 years it is the Commission's charge to undertake each of

these projects, while not exceeding its Maximum Indebtedness limit of \$43,177,530.

For FY 2018-19 the Capital Projects Fund includes the following projects:

- Pine Street Plaza Design (\$50,000)
- 1st Street to 2nd Street Alley Improvements (\$50,000)
- Funding for the Economic Incentive Program - Housing (\$100,000).
- Funding for the Economic Development Incentive Program - Façade (\$35,000).

DEBT SERVICE

The purpose of the Debt Service category is to account for the payment of principal and interest due on Commission debt. In fiscal year 2016-17 the Development Commission received funding for the East Pine Streetscape Project which incurred an annual debt service for FY18-19 of \$224,000. In addition to the East Pine Streetscape debt the Development Commission will pay interest on a \$125,000 loan from the City and pay off a debt service obligation in the amount of \$19,000 for improvements made along Hwy. 99 by Walgreen's per the Streetscape Reimbursement Program.

GENERAL FUND RESOURCES

Funding for activities and projects will come from four sources; tax increment revenue, interest, and cash balance forward, for a total of \$586,000.

TAX INCREMENT REVENUE

The primary source of urban renewal revenue will be tax increment revenue. For FY 2018-19 it is estimated that the Commission will receive \$400,000 in tax increment revenue.

INTEREST & PREVIOUSLY LEVIED TAXES

It is estimated that the Development Commission will receive \$12,000 in previously levied taxes and interest on its cash balance.

BALANCE FORWARD

The Commission will begin FY 2018-19 with an estimated beginning cash balance of \$174,000.

A BALANCED BUDGET

By Oregon Law the budget is balanced at \$586,000.

LEGAL COMPLIANCE

- Notice of Budget Committee meeting
- Affidavit of Publication, Mail Tribune
- Fiscal Year 2017-18 Budget
- FORM UR-50, Notice to Assessor
- Resolution Adopting the Annual Budget

NOTICE OF BUDGET COMMITTEE MEETING

A public meeting of the Budget Committee of the Central Point Development Commission, Jackson County, Oregon to discuss the budget for the fiscal year July 1, 2018 to June 30, 2019, will be held the City Council Chambers, 140 S. Third Street, Central Point, Oregon. The meeting will take place on April 16, 2018, at 6:00 P.M. The purpose of the meeting is to receive the budget message and comments from the public on the budget.

A copy of the budget document may be inspected or obtained on or after April 16, 2018 at the Finance Offices of the City of Central Point, between the hours of 9:00 A.M. and 5:00 P.M., on the City of Central Point web site at www.centralpointoregon.gov.

This is a public meeting where deliberation of the Budget Committee will take place. Any person may appear at the meeting and discuss the proposed budget with the Budget Committee.

**BEFORE THE
CENTRAL POINT DEVELOPMENT COMMISSION
A
RESOLUTION ADOPTING THE BUDGET, MAKING
APPROPRIATIONS,
AND DECLARING TAX INCREMENT**

The Central Point Development Commission resolves as follows:

Section 1. The budget for fiscal year 2018–19 in the total of \$586,000 is adopted. This budget is now on file at the City of Central Point Finance Offices, 140 South Third Street, Central Point, OR 97502.

Section 2. The amounts for the fiscal year beginning July 1, 2018; and for the purposes shown below are appropriated:

GENERAL FUND	
Personal Services	\$0
Materials & Services	\$57,500
Capital Outlay	\$235,000
Debt Service	\$248,000
Contingency	\$45,500
TOTAL GENERAL FUND	\$586,000

Section 3. The Board of Directors certify to the county assessor a request for the Downtown & East Pine Street Corridor Revitalization Plan Area for the maximum amount of revenue that may be raised by dividing the taxes under Section 1c, Article IX, of the Oregon Constitution and ORS Chapter 457.

The above resolution statements were approved and declared adopted on this 14th day of June, 2018.

Hank Williams, Chair
Central Point Development Commission

ATTEST

Deanna Casey, Recorder